

VZCZCXRO8667
OO RUEHGH
DE RUEHUL #0806/01 1400645
ZNR UUUUU ZZH
O 200645Z MAY 09
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4392
RUCPDO/USDOC WASHDC 8569
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEAIIA/CIA WASHINGTON DC//DDI/OEA//
RHHMUNA/USCINCPAC HONOLULU HI//FPA//
RUEKJCS/SECDEF WASHINGTON DC
RUEKJCS/JOINT STAFF WASHINGTON DC
RUEKDIA/DIA WASHINGTON DC//DB-Z//
RUEHMO/AMEMBASSY MOSCOW 9738
RUEHBJ/AMEMBASSY BEIJING 5897
RUEHKO/AMEMBASSY TOKYO 5986
RUEHGH/AMCONSUL SHANGHAI 0709
RUEHSH/AMCONSUL SHENYANG 4403
RUEHIN/AIT TAIPEI 3383
RUEHGP/AMEMBASSY SINGAPORE 6579
RUCNDT/USMISSION USUN NEW YORK 0982
RUEHGV/USMISSION GENEVA 2320
RUEHLO/AMEMBASSY LONDON 1394
RUEHFR/AMEMBASSY PARIS 2003

UNCLAS SECTION 01 OF 03 SEOUL 000806

SIPDIS

E.O. 12958: N/A
TAGS: [PREL](#) [PGOV](#) [MARR](#) [ECON](#) [KPAO](#) [KS](#) [US](#)
SUBJECT: SEOUL - PRESS BULLETIN; May 20, 2009

TOP HEADLINES

Chosun Ilbo
Most ROK Companies Unprepared
for Stronger EU Environmental Regulations

JoongAng Ilbo
President Lee's Friend Questioned as Bribery Scandal Expands

Dong-a Ilbo
Collective Bargaining Agreement between Seoul Office of Education
and Korean Teachers and Education Workers Union
to Become Null and Void Next Month

Hankook Ilbo, Segye Ilbo, All TVs
President's Friend Faces Indictment for Bribery, Influence Peddling
and Tax Evasion

Hankyoreh Shinmun
Korea Confederation of Trade Unions (KCTU) "Proposes Talks" with the
Government, but Police Seek Arrest Warrants
for KCTU Leaders

Seoul Shinmun
Banks Accused of Profiteering; They Ignore Struggles of Low-income
Families and Small and Mid-Sized Companies and
Raise Lending Rates

DOMESTIC DEVELOPMENTS

USTR Ron Kirk said on May18 that Seoul and Washington have agreed to
make every possible effort to address their own domestic political
concerns in order to explore ways to move the KORUS FTA forward
(towards ratification.) The USTR met with ROK Trade Minister Kim
Jong-hoon on May 14. (JoongAng)

A joint team of U.S. and ROK officials has begun excavation to
uncover the remains of American soldiers killed in action during the
1950-53 Korean War. It is the first time that the allies have
integrated as a full excavation team for recovery of war remains of

fallen U.S. soldiers. (All)

INTERNATIONAL NEWS

North Korea recently confirmed the participation of its foreign minister in the ASEAN Regional Forum (ARF) which is scheduled for July in Thailand. Accordingly, chances are high that Secretary of State Hillary Clinton and North Korean Foreign Minister Pak Ui-chun may meet during the ARF. (Hankook, Hankyoreh, Seoul, VoiceofPeople)

Dong-a Ilbo featured an article claiming that North Korea chose June 4 as the trial date for the two U.S. journalists who have been detained in the North because the date carries special meaning for the communist state; June 4 was the day a Korean guerilla battle was fought against the Japanese in 1937. By holding the trial that day, North Korea may be intending to show its own citizens that it can "stand tall and strong" before the world's superpower.

MEDIA ANALYSIS

-North Korea

- Possibility of a Meeting between Top U.S. and North Korean Diplomats

SEOUL 00000806 002 OF 003

Citing a senior Thai Foreign Ministry official, most ROK media reported that North Korea's Foreign Minister Pak Ui-chun will attend the ASEAN Regional Forum (ARF) slated for July in Thailand. The ROK media noted that Secretary of State Hillary Clinton will also attend the regional meeting, and speculated that the two might hold talks for the first time since the launch of the Obama Administration and the North's launch of a long-range rocket in April.

- U.S. Journalists Held in North Korea

Conservative Dong-a Ilbo featured an article claiming that North Korea chose June 4 as the trial date for the two U.S. journalists who have been detained in the North because the date carries special meaning for the communist state. According to the Dong-a report, June 4 was the day a Korean guerilla battle was fought against the Japanese in 1937. By holding the trial that day, North Korea may be intending to show its own citizens "a spirit of standing tall and strong" before the world's superpower and to send Washington a message that, once the trial is over, follow-up measures will depend on the attitude of the U.S.

President Obama Announces New Auto Emission Standards

Newspapers carried the following headlines: "U.S. to Ban Sales of Cars under 35.5 Miles Per Gallon Beginning in 2016" (conservative Chosun Ilbo); "U.S. Embarks on Greenhouse Gas Regulations by Boosting Fuel Efficiency of Cars to 35.5 Miles per Gallon by 2016" (moderate Hankook Ilbo); "U.S. Orders Stricter Fuel Efficiency Standards for Autos" (left-leaning Hankyoreh Shinmun); and U.S. Heralds "Innovation" in Car Industry" (conservative Segye Ilbo)

OPINIONS/EDITORIALS

U.S.-CHINA-JAPAN COOPERATION AND ROK'S NETWORK DIPLOMACY
(Dong-a Ilbo, May 20, 2009, Page 30)

By Kim Sung-han, professor of international relations at Korea University Graduate School of International Studies

In Northeast Asia, a trilateral relationship between the U.S., China and Japan is very interesting. The three nations are deeply concerned that the two of them may be united against the other, but at the same time, they share the need for mutual cooperation. Japan's perception of the U.S.-China relations is summarized as its fear that the U.S. and China may sideline Japan and establish their

bilateral structure in East Asia. When the U.S. announced President Richard Nixon's planned visit to China without prior consultations with Japan on July 15, 1971, Japan suffered the so-called "Nixon Shock." In 1998, when President Bill Clinton declared a "strategic partnership" with China during his visit there and did not stop by Tokyo on his way back to Washington, Japan was also shocked.

China's perception of the U.S.-Japan relations is not relaxed, either. China takes a positive view of the fact that the U.S. Forces in Japan has "softened" Tokyo's external strategies so far. However, China objects to a U.S. move to strengthen Japan's role, thereby encouraging Japan's military expansion and expanding the range of the U.S.-Japan alliance. This is because China thinks that the U.S. and Japan may work together to hold China in check.

A strategic judgment about "trilateral talks" is needed.

The United States worries that China and Japan may institutionalize "East Asian regionalism" without the U.S. involvement. East Asian regionalism, which excludes the U.S., was revealed when Malaysia proposed forming the East Asia Economic Center (EAEC) under the leadership of Japan in 1990; when Japan advocated creating the Asian Monetary Fund (AMF) during the 1997 financial crisis in East Asia; and when Malaysia suggested establishing the East Asia Summit (EAS) involving all ten members of the Association of Southeast Asian Nations (ASEAN) plus the ROK, China and Japan. The U.S., a country (bordering the) Pacific Ocean, decided not to accept the institutionalization of East Asian regional cooperation, which is led by China and Japan, and made clear its opposition to all those

SEOUL 00000806 003 OF 003

proposals.

However, the U.S.-China-Japan trilateral relationship, fraught with jealousy and doubt, is gradually changing these days. China, which gained confidence through its remarkable economic growth, shook off its complex about being possibly blocked by the U.S. and Japan and recently proposed the "U.S.-China-Japan trilateral talks." What is more interesting is that the U.S. and Japan seem to be welcoming it.

While watching China assert itself following the U.S. financial crisis, Japan feels the need to have the U.S.-China-Japan cooperative relationship in place before the U.S.-China bilateral structure takes root. Foreign policy and security officials in the Barack Obama Administration also think that U.S.-China-Japan cooperation is essential to stability and prosperity in East Asia, and they have reportedly started preparations to institutionalize the cooperation.

Such developments compel the ROK to pay attention to tripartite talks involving the U.S., China and Japan. This is because the Korean Peninsula issue could be addressed behind closed doors by powerful countries without the ROK's engagement. This concern is not unreasonable since, in the past, the fate of the Korean Peninsula was sealed through a "chess game" by powerful countries.

However, we need to think of this issue more objectively from a strategic perspective. We would fall into a situation of "complex diplomacy" if we react extremely negatively by concluding that these three countries will make decisions at their (sole) discretion on the Korean Peninsula issue, while (at the same time) considering U.S.-China-Japan cooperation to be essential to assure the stability and peace of East Asia. China proposed the U.S.-China-Japan tripartite talks as a strategic consideration after overcoming the obsessive thought that the U.S.-Japan alliance will lead to containment of China.

Therefore, we need to respond to moves by the U.S., China and Japan to institutionalize their tripartite cooperation, based on a few principles. For example, (first), we should initiate talks (with those countries) not at a ministerial or vice-ministerial level but at a lower level. (Second), we should first deal with non-traditional security issues such as the environment, drugs, human trafficking or piracy instead of traditional security issues such as the crisis on the Korean Peninsula, and then should gradually move to traditional security issues. (Finally), should

the tripartite talks touch upon the issue of the Korean Peninsula,, we must ensure that they discuss the matter with the ROK's engagement.

The ROK should develop a 'cooperative framework' in which it takes the lead.

The ROK should maintain these three principles and brace itself against the formalization of U.S.-China-Japan cooperation. The ROK should institutionalize its own tripartite cooperation involving the ROK-U.S.-Japan, ROK-China-Japan, or ROK-U.S-China and take the lead in its development. The 21st century is an era of "network diplomacy." The ROK should make an effort to build a network capable of maximizing its capabilities with confidence and creativity rather than openly opposing cooperation among powerful countries. This is what we call 'global Korea' diplomacy.

STANTON